



United States  
Department of  
Agriculture

**BULLETIN NO.: MGR-04-013**

Risk  
Management  
Agency

**TO:** All Reinsured Companies  
All Risk Management Agency Field Offices  
All Other Interested Parties

1400 Independence  
Avenue, SW  
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Washington, D.C.  
20250-0801

**FROM:** Ross J. Davidson, Jr. /s/ *Ross J. Davidson, Jr.* 11/04/04  
Administrator

**SUBJECT:** Cancellation of the Pilot Coverage Enhancement Option for all  
Applicable Crops Except Texas Citrus Trees

**BACKGROUND:**

The Pilot Coverage Enhancement Option (CEO) was implemented beginning with the 2000 crop year for Apples and Grapes in Pennsylvania and Washington; Canola in North Dakota; Citrus Trees in Texas; Cranberries in Massachusetts; Potatoes in Idaho, Maine, and Pennsylvania; Rice in Arkansas, Louisiana, and Mississippi; Stone Fruit in California; and Walnuts in California, and for the 2001 crop year for Citrus Fruit in Florida and Texas. The pilot program was evaluated by an independent contractor and the results of the evaluation were presented to the Federal Crop Insurance Corporation Board of Directors (Board) on July 29, 2004. Based on the results of the evaluation, the Board decided to terminate CEO for all crops except Texas Citrus Trees, which will continue as a pilot program through the 2008 crop year.

**ACTION:**

Effective for the stated crop year CEO will no longer be available for the following States and crops:

| STATE         | CROP         | TERMINATION EFFECTIVE FOR CROP YEAR |
|---------------|--------------|-------------------------------------|
| Arkansas      | Rice         | 2006                                |
| California    | Stone Fruit  | 2006                                |
| California    | Walnuts      | 2006                                |
| Florida       | Citrus Fruit | 2006                                |
| Idaho         | Potatoes     | 2006                                |
| Louisiana     | Rice         | 2006                                |
| Maine         | Potatoes     | 2006                                |
| Massachusetts | Cranberries  | 2006                                |
| Mississippi   | Rice         | 2006                                |



The Risk Management Agency Administers  
And Oversees All Programs Authorized Under  
The Federal Crop Insurance Corporation

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|              |              |      |
|--------------|--------------|------|
| North Dakota | Canola       | 2006 |
| Pennsylvania | Apples       | 2006 |
| Pennsylvania | Grapes       | 2006 |
| Pennsylvania | Potatoes     | 2006 |
| Texas        | Citrus Fruit | 2007 |
| Washington   | Apples       | 2006 |
| Washington   | Grapes       | 2006 |

To provide producers with an opportunity to review alternative risk management options, producers should be notified of the cancellation of the CEO option at least 60 days prior to the cancellation date for the applicable crop.

**DISPOSAL DATE:**

This Bulletin is for the purpose of transmitting information. The disposal date is December 31, 2005